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| 7  | UNITED STATES DISTRICT COURT   |   |  |
| 8  | WESTERN DISTRICT OF WASHINGTON<br>AT SEATTLE   |   |  |
| 9  | GLASSYBABY, LLC, a Washington  | N- 2-11 00200                               |  |
| 10 | limited liability company,   | No. 2:11-cv-00380                           |  |
| 11 | Plaintiff,   | COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES |  |
| 12 | V.   |   |  |
| 13 | PROVIDE GIFTS, INC. d/b/a RED ENVELOPE., a California corporation, and                     | JURY TRIAL DEMANDED                         |  |
| 14 | NORTHERN LIGHTS ENTERPRISES, INC., a New York corporation,                                 |   |  |
| 15 | Defendants.  |   |  |
| 16 |  |   |  |
| 17 | Plaintiff, for its complaint against the defendants, hereby alleges as follows:            |   |  |
| 18 | THE PARTIES  |   |  |
| 19 | Plaintiff Glassybaby, LLC is a limited liability company organized under                   |   |  |
| 20 | the laws of the state of Washington, with its principal place of business in Seattle, King |   |  |
| 21 | County, Washington. Glassybaby is a maker and distributor of fine, distinctive, hand-      |   |  |
| 22 | blown glass containers used as, among other things, votive candle holders.                 |   |  |
| 23 | 2. On information and belief, defendant Provide Gifts, Inc. d/b/a Red                      |   |  |
| 24 | Envelope ("Red Envelope") is a corporation organized under the laws of the state of        |   |  |
| 25 | Delaware with its principle place of business in San Diego, California.                    |   |  |
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3. On information and belief, defendant Northern Lights Enterprises, Inc. d/b/a Northern Lights Candles ("Northern Lights") is a corporation organized under the laws of the state of New York, with its principal place of business in Wellsville, New York.

### JURISDICTION AND VENUE

- 4. This Court has personal jurisdiction over defendant Red Envelope because, among other reasons, on information and belief, Red Envelope markets and distributes its goods—including goods that give rise to the claims asserted this action—to consumers in the state of Washington. On information and belief, Red Envelope purposely avails itself of the privileges of doing business in the state of Washington by, among other things, distributing printed catalogs to customers in Washington and taking online orders and payments from Washington residents via its website. Moreover, Red Envelope's actions are causing harm in the state of Washington.
- 5. This Court has personal jurisdiction over defendant Northern Lights because, among other reasons, on information and belief, Northern Lights markets and distributes its goods—including goods that give rise to the claims asserted this action—to consumers in the state of Washington. On information and belief, Northern Lights purposely avails itself of the privileges of doing business in the state of Washington by, among other things, distributing printed catalogs to customers in Washington and taking online orders and payments from Washington residents via its website. Moreover, Northern Lights' actions are causing harm in the state of Washington.
- 6. The Court has original subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1338 and 28 U.S.C. § 1331, because one or more of the claims at issue arises under federal law—specifically, 15 U.S.C. §§ 1125(a) and (c).
- 7. Pursuant to 28 U.S.C. § 1367, the Court has supplemental jurisdiction over the state law claims at issue in this action because they are so related to the federal law

claims as to form part of the same case or controversy—*i.e.*, they arise out of a common nucleus of operative facts. Moreover, subject matter jurisdiction over the state law claims exists under 28 U.S.C. § 1332 because the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and involves citizens of different states.

8. Venue in this Court is proper under 28 U.S.C. § 1391(b) because, on information and belief, the defendants reside in this District (*i.e.*, are subject to personal jurisdiction here), and because a substantial part of the events giving rise to the claims occurred here.

### **FACTS**

- 9. The concept for Glassybaby was conceived in 1998 as its founder, Lee Rhodes, was struggling to survive a rare form of lung cancer. Over the next few years, Rhodes learned to blow glass and began selling her hand-made creations to others. After seeing the strong, positive responses that others had to her product, she founded Glassybaby and hired other glassblowers to help increase production and spread Glassybaby to a broader market.
- 10. In 2003, Glassybaby opened its first retail store. Today, the Madrona neighborhood of Seattle is home to the company's main store and studio, where a team of dedicated glassblowers produces an average of 200 Glassybaby daily. The company also has stores in Seattle's University Village; in Bellevue, Washington; and in New York City's West Village neighborhood at 555 Hudson St.
- 11. The distinctive design of Glassybaby hand-blown glass containers constitutes a famous trademark that serves to distinguish Glassybaby from glass votive holders made by other manufacturers. The fame and distinctiveness of this trademark among the consuming public has been established by widespread coverage in print and television journalism, extensive marketing and promotion, and appearances on national broadcast television and radio programs.

- 12. Among the consuming public, the unique and distinctive design of Glassybaby glass containers has become recognizable as a mark of high-quality, exclusive, handmade glass. Moreover, because a portion of Glassybaby's revenue is donated to charitable organizations, members of the consuming public can be confident that by purchasing a genuine Glassybaby, not only are they acquiring a beautiful, handmade piece of glass, they are also providing financial assistance to worthy causes.
- 13. On information and belief, defendant Northern Lights is importing, marketing, and selling products referred as "Jeweltone votive holders," which are confusingly similar in appearance to Glassybaby's distinctive, protected design. On information and belief, these products are imported by Northern Lights from one or more manufacturers in China.
- 14. On information and belief, Northern Lights sells these confusingly similar "Jeweltone votive holders" to Red Envelope and other possibly other consumers via its company catalogs and website. Northern Lights' marketing and sale of these products to Red Envelope and other members of the public has the potential to mislead or confuse consumers regarding the source, sponsorship, or affiliation of these products—i.e., to mislead customers into believing they are purchasing genuine Glassybaby.
- 15. On information and belief, defendant Red Envelope resells Northern Lights' products through the Red Envelope catalog and website, referring to them as "jewel tea light holders." Red Envelope's marketing and sale of these products to the public has the potential to mislead or confuse consumers regarding the source, sponsorship, or affiliation of these products—i.e., to mislead customers into believing they are purchasing genuine Glassybaby.
- 16. As a result of Northern Lights' and Red Envelope's actions, there is a likelihood that consumers are being or will be confused or misled into believing they are purchasing an authentic Glassybaby when, in fact, they are purchasing a cheaply made

imitation that is imported by Northern Lights from China. Moreover, if their actions are not enjoined, Defendants' actions are likely to diminish the ability of the Glassybaby design to continue to distinguish genuine Glassybaby products from those made and sold by others.

- 17. Defendants' marketing and sale of these "Jeweltone votive holders" and/or "jewel tea light holders" (collectively, "Imitation Products") is not authorized by Glassybaby. Images of the Imitation Products taken from defendants' marketing materials are attached hereto as Exhibit A (Northern Lights) and B (Red Envelope). These images are merely illustrative of the Imitation Products; they are not intended to be a complete collection of all infringing products or activities.
- 18. After becoming aware of Defendants marketing and sale of the Imitation Products, Glassybaby wrote to both Red Envelope and Northern Lights to ask that they cease marketing and selling the Imitation Products because they violate Glassybaby's rights in the distinctive Glassybaby design and constitute unfair competition, under both federal and state law.
- 19. Neither Red Envelope nor Northern Lights has complied with Glassybaby's request. Rather, the Imitation Products remain available for sale through Defendants' websites and catalogs and continue to cause actual or potential confusion among the consuming public, as well as damage to Glassybaby's goodwill. Unless Defendants are enjoined from continuing to market and sell the Imitation Products, their actions will continue to dilute the distinctiveness of Glassybaby's famous mark and cause irreparable damage to Glassybaby.

### COUNT I: Infringement – 15 U.S.C. § 1125(a)

20. Defendants' acts of importing, marketing, and/or selling the Imitation

Products violate the Lanham Act, 15 U.S.C. § 1125(a), by causing among the consuming

public a likelihood of confusion, mistake, or deception as to the affiliation, connection, or association of the Imitation Products with those of Glassybaby.

- 21. Defendants' importing, marketing, and/or selling the Imitation Products further violates 15 U.S.C. § 1125(a) by causing among the consuming public a likelihood of confusion, mistake, or deception as to the origin, sponsorship, or approval of Defendants' Imitation Products by Glassybaby.
- 22. Defendants' acts of infringement in violation of 15 U.S.C. § 1125(a) have been willful and without regard for Glassybaby's rights. Unless enjoined, Defendants' actions will cause further and irreparable harm to Glassybaby.

### COUNT II: Dilution – 15 U.S.C. § 1125(c)

- 22. Defendants' actions of importing, marketing, and/or selling the Imitation Products impairs or is likely to impair the distinctiveness of the Glassybaby design and thereby diminish its capacity to distinguish Glassybaby's glass votive holders from those of its competitors.
- 23. Further, Defendants' actions of importing, marketing, and/or selling the Imitation Products is tarnishing or is likely to tarnish the reputation of Glassybaby because the Imitation Products are of inferior quality and artistry to genuine Glassybaby and do not directly support the charitable causes that Glassybaby is widely known and celebrated for supporting.
- 24. As a result of these actions, Defendants are causing dilution or likelihood of dilution of Glassybaby's famous design mark, in violation of the Lanham Act, 15 U.S.C. § 1125(c). Unless enjoined, Defendants' actions will cause further and irreparable harm to Glassybaby.
- 25. Defendants' acts of dilution in violation of 15 U.S.C. § 1125(c) have been willful and without regard for Glassybaby's rights. Specifically, Defendants' conduct

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reflects their willful intent to trade on the famous Glassybaby mark and/or to harm the reputation of the Glassybaby mark.

### COUNT III: Trademark Dilution Under Washington Law RCW 19.77.160

26. By the actions described above, Defendants actions are in violation of RCW 19.77.160. Defendants' importing, marketing, and selling the Imitation Products in Washington has caused dilution of Glassybaby's distinctive and famous product design. Unless enjoined, Defendants' actions, which reflect willful intent to trade on Glassybaby's reputation and fame, will continue to cause dilution to Glassybaby's famous mark and irreparable harm to Glassybaby's goodwill.

### COUNT IV: Unfair Competition Under RCW 19.86.020

- 27. By the actions described above, Defendants have committed unfair or deceptive acts in trade or commerce. These actions affect the public interest by, among other things, causing or creating a likelihood of confusion regarding whether the Imitation Products are genuine Glassbaby. These actions, and the resulting likelihood of confusion and dilution of Glassybaby's mark, have proximately and in fact caused injury to Glassybaby's business or property, and will continue to cause injury unless enjoined.
- 28. Defendants have violated RCW 19.86.020 and are consequently liable to Glassybaby for the injuries resulting therefrom.

### PRAYER FOR RELIEF

Glassybaby prays for entry of a judgment against Red Envelope and Northern Lights that provides as follows:

a. Enjoining Defendants from further importation, marketing, and sales of the Imitation Products or any other products that are confusingly similar in appearance to

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genuine Glassybaby glass votive holders, pursuant to 15 U.S.C. §§ 1116(a) and 1125(c)(5) and RCW 19.77.160(1) and 19.86.090;

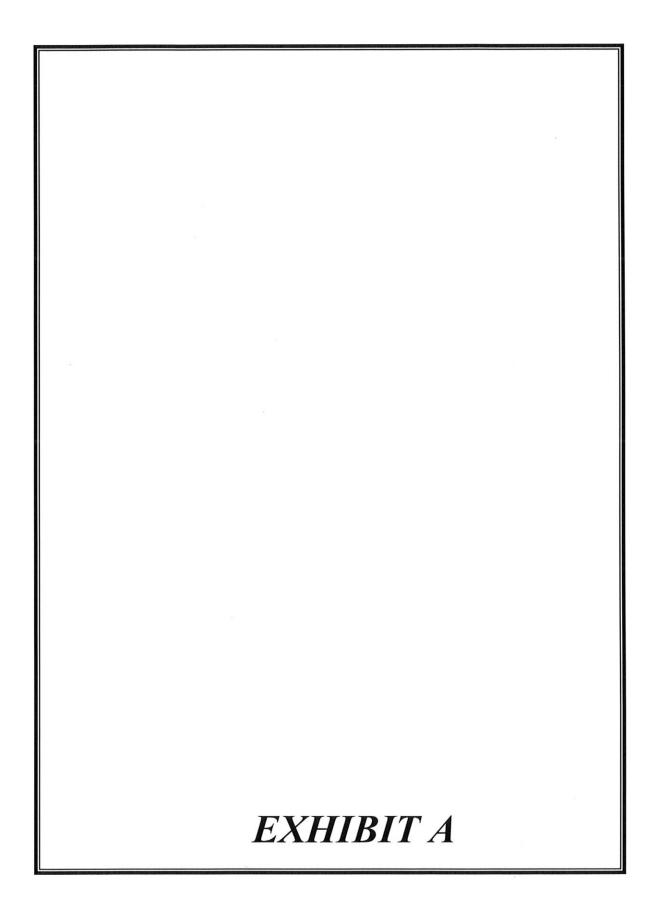
- b. Requiring Defendants to file with the Court and serve on Glassybaby an a report in writing and under oath setting forth in detail the manner and form in which they have complied with the foregoing injunction, pursuant to 15 U.S.C. § 1116(a);
- c. Awarding Glassybaby its actual damages, Defendants' profits, and the costs of bringing this action, pursuant to 15 U.S.C. §§ 1117(a) and RCW 19.77.160(2) and 19.86.090;
- d. Trebling the award of Glassybaby's actual damages, pursuant to 15 U.S.C.
   § 1117(a) and RCW 19.77.160(2) and 19.86.090;
- e. Awarding Glassybaby its reasonable attorney fees under 15 U.S.C.
   § 1117(a) and RCW 19.77.160(2) and 19.86.090;
- f. Requiring Defendants, pursuant to 15 U.S.C. § 1118, to (i) destroy all Imitation Products—and any marketing or promotional materials that depict images of or contain offers to sell the Imitation Products—in their possession, custody, or control; and (ii) remove any depictions of or references to the Imitation Products from printed or online promotional or advertising materials in their possession, custody, or control; and
- g. Awarding Glassybaby such other relief as the Court deems just and equitable.

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| 2                           | JURY DEMAND   |
| 3                           | Glassybaby demands trial by jury on all issues so triable.                                  |
| 4                           |   |
| 5                           | Dated this 4th day of March, 2011.  |
| 6                           |   |
| 7                           | McNAUL EBEL NAWROT & HELGREN  |
| 8                           | By: /s/ David A. Linehan  |
| 9                           | By: /s/ David A. Linehan  Robert M. Sulkin, WSBA No. 15425 David A. Linehan, WSBA No. 34281 |
| 10                          | Attorneys for Plaintiff   |
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COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES – Page 9

LAW OFFICES OF

MCNAUL EBEL NAWROT & HELGREN PLLC
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## Northern Lights Candles

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WHAT'S NEW

**ACCESSORIES** 

VIEW BASKET

### **VOTIVE HOLDERS**

Jeweltone votive holders have a rounded, oval shape with a heavy clear bottom and rich color above. Measure 2.75" diameter at the widest point x 3" height.

RETURN TO **CATEGORY** 





Basic Accessories - 12pc 6hr Tealight \$7.99



AromaZone - 12pc Sampler \$22.99



Nordica Fluted Candleholder -2.62" x 2.5" Votive Holder \$4.99



Fluted Votive Cup - Amber \$4.99

Jeweltone

Color, Fragrance, Style or Size

Sapphire

Quantity

1

Price \$6.49

ADD TO BASKET

Amethyst \$6.49



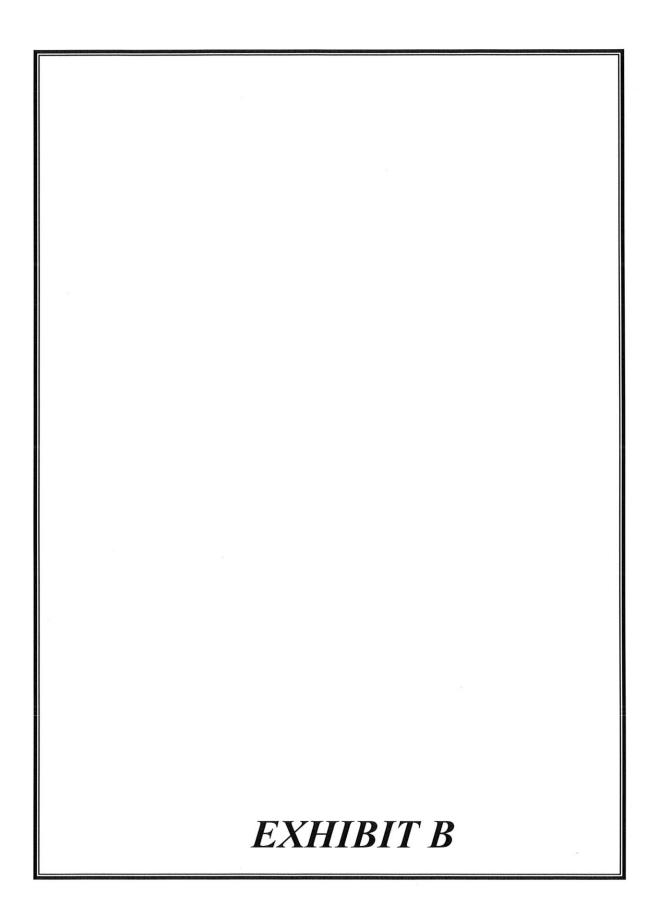
Sapphire \$6.49



Topaz \$6.49

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shape with a heavy clear bottom and rich color blown tea light holders come in a rounded, ova anywhere you need it. Our set of three, handtone tea light holders cast a colorful glow Fabulous for year-round entertaining, our jewel-

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deluxe baby

- hand-blown glass
- 3 tea light candles included

colors: amethyst, sapphire and topaz

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